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Richard W. Revels, Jr. rwrevels@liskow.com

May 10, 2006

Honorable James H. Welsh Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

> Re: Upper Yegua Zone, Reservoir B SOUTH GORDON FIELD Beauregard Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **CONTINENTAL RESOURCES**, **INC.** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters:

- 1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of oil and gas from the Upper Yegua Zone, Reservoir B, in the South Gordon Field, Beauregard Parish, Louisiana, said unit to be designated U Y RB SUA, as shown on the plat attached hereto and made a part hereof.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To provide that any wells drilled to the Upper Yegua Zone, Reservoir B, should be located in accordance with the provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).
- 4. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing should the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
  - 5. To consider such others matters as may be pertinent.

The Upper Yegua Zone, in the South Gordon Field, Beauregard Parish, Louisiana, was previously defined in Office of Conservation Order No. 1453-B, effective November 19, 2002.

Pertinent data, including well logs, may be obtained **AT THE COST OF THE REQUESTING PARTY** from David Comeaux of Leon Comeaux & Associates, Post Office Box 53922, Lafayette, Louisiana 70505, Telephone Number 337/233-9839.

Pursuant to the Rules of Procedure, a pre-application conference was held in Lafayette, Louisiana on May 3, 2006, at which the parties named on the attached list were in attendance. The conference was opened by representatives of the applicant who explained the basis for the unit being requested. Questions were asked and answered. Some opposition to the proposal was expressed. The conference was then adjourned. Opposition to the applicant's proposal is possible.

Attached hereto and made a part hereof are the plat, the conference attendance list, and the list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being mailed. Pursuant to the Revised Rules of Procedure, the plat (being the same plat attached to the pre-application notice dated April 10, 2006) and the list of parties are being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the plat and/or list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check in the amount of \$755.00 made payable to the Office of Conservation submitted on behalf of the applicant representing the hearing application fee.

Very truly yours,

Richard W. Revels, Jr.

RWRjr/dbf Attachments 167423\_1 15447.0017

cc: Mr. Richard Hudson, Lafayette District Office of Conservation cc: Interested Owners, Represented Parties and Interested Parties

